Preserve

G. R. S. IX-5]

Previous references.

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Geological Office File No. 25-17/18 (A/B)
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Geol 95-08 (15, 17-21)

File No. 95-18

Serial Nos. 1 5

1918-19

(Geological)

(71)

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 1 - 5

Part B for

SUBJECT.

Re Compensation claimed by Mr. V. Sundara murthy Mudaliar in Connection with the acquisition of certain lands in the Narsipudamballi village, Mysore Dk, (for the Construction of the Tuberculosis hospital) over which a mining lease was granted to him.

W D 1250—GPB—30,000 28-1-19

R. S. III—1] 1918-17

GENERAL AND REVENUE SECRETARIAT.

(Geological

NOTES.

File No. 95-18

FILE HEADING.

Compensation claimed by Mr. V. Manickavelu Mudaliar for having acquired Margondanahalli Block for Tuberculosis Hospital at Bangalore

From

No.	Dated	Received
Diary No.	Enclos.	Spare Copies.	Serial No.

BRIEF ABSTRACT OF LETTER.

NOTES AND ORDERS.

D.O.C No. 3/ Gen. Corr

DEPARTMENT OF MINES AND GEOLOGY,
MYSORE STATE.

Camp, Mysore. Bangalore, 23rd June 1918.

Dear Sir,

As promised at my personal interview yesterday, I beg to submit herewith a note regarding the claim preferred by Mr.V.Sundaramurthy, 14, Spencer Road, Bangalore, for compensation for certain lands comprised in his Margowdanhalli Mining block, acquired by Government for the purposes of the Tuberculosis Hospital.

Yours sincerely,

B. Jaya Ram.

Offg: Director,

P.Raghavendra Rao, Esq., B.A.,B.L.,

Offg: Second Member of Council.

N O T E.

Re. Acquisition of certain lands in Mr.V.Sundaramurthy's Chrome Mining Block, Margowdanhalli village, for the purposes of the Tuberculosis Hospital, and compensation claimed therefor.

On the 16th December 1916 a prospecting license No.451, for Chrome and Magnesite was granted to Mr.V.Sundaramurthy Mudaliar of Bangalore, over a block of one square mile of land lying in the villages of Hebbal, Metgalli and Margowdanhalli in the Mysore Taluk. Three copies of this license together with copies of the plan of the block were on the same date also forwarded to the Deputy Commissioner, Mysore District, for information.

Within the period of one year for which the license was granted, the licensee selected for mining purposes a block of 40 acres of land within the area of the prospecting license and submitted on the 8th December 1917 an application for the mining lease he is entitled to under clause 15 of the prospecting license in respect of that block.

After an inspection of the work done under the prospecting license and the mining block selected by the licensee, the application was submitted by me to the Government on the 26th February 1918, for sanction to the grant of the mining lease.

In the meantime permission was granted to the licensee on the 12th January 1918 to continue work in the area in question pending the orders of Government in the matter of the grant of the mining lease. Intimation of the grant of this permission was sent to the Deputy Commissioner on the same date.

The sanction of Government to the grant of the mining lease was conveyed to me in Chief Secretary's letter No.G.12944-

Geol.17-17-31, dated 23nd March 1918.

With a letter, dated 4th April 1918, Mr.Sundaramurthy forwarded to me, for my information and necessary action, copies of a letter dated 17th March 1918 received by him from the Deputy Commissioner and his reply thereto dated 2nd April 1918 which showed (1) that certain lands in the village of Margowdanhalli comprised in the area selected by Mr.Sundaramurthy for mining purposes had, by Notification No.R.7432-L.R. 80-17-13, dated 22nd January 1918, (published in the Mysore Gazette of 31st January 1918), been declared to be required for acquisition for the purposes of a Tuberculosis Hospital and that the same had been taken possession of and delivered to the Palace Controller,
(2) that the Deputy Commissioner issued therefore a notice to Mr.Sundaramurthy to stop all work on those lands, and
(3) that thereupon Mr.Sundaramurthy urged to the Deputy Commissioner the impropriety of the notice issued by him in consequence of his (Mr.Sundaramurthy's) title to the mining lease over the lands in question and the sanction of Government to the grant of the same and notified that he would be compelled to claim damages for losses sustained by him in the event of the continuance of obstruction to his mining operations.

The matter was then taken up by me and it was pointed out to the Deputy Commissioner that there is no provision in the mining lease requiring the lessee to set apart or give over lands included in the mining block for purposes of the kind in question, b ut that on the other hand, clause 30 of the Form of Lease precludes the acquisition of such lands for purposes which are unconnected with mining or seriously interfere with mining operations.

A representation having been made by the licensee that certain other lands outside the mining block are also equally suitable for the purposes of the Tuberculosis Hospital, the Deputy Commissioner was requested to consider the feasibility of the

Palace

Palace authorities accepting them in lieu of the lands in question. But it is reported that the foundation stone has already been laid by Her Highness the Maharani, C.I. and that it is therefore too late now to consider the question of shifting the site of the Hospital. The Deputy Commissioner suggests therefore that the lands in question may be altogether excluded from the mining block.

The Deputy Commissioner and the Huzur Secretary contend tha the acquisition of the lands in question was notified in the Gazette long before the communication to Mr.Sundaramurthy of the sanction by Government to the grant of the mining lease. This contention is untenable and does not lend satisfactory support to the acquisition, as Mr.Sundaramurthy has held his prospecting license since the 16th December 1916 and was, under clause 15 thereof, entitled to the mining lease sanctioned by Government in March 1918.

It is very unfortunate that the fact that the lands in question were comprised in the prospecting block does not appear to have been kept in view by the Revenue Department at the time their acquisition was proposed, nor did the notification of 22nd January 1918 which appeared in the Mysore Gazette of the 31st idem contain any reference to the lands in question having been included in the prospecting or mining block, although the Deputy Commissioner's letter of 17th March 1918 to Mr.Sundaramurthy clearly shows that the former was aware of the excavations, &c. made by the latter in the lands in question in the course of prospecting operations. The mere survey numbers of the lands given in the notification could not enable this Department to know that they were included in the prospecting or mining block.

As matters stand at present there seems to be no other alternative than to exclude the lands in question from the mining block. With the exclusion of these lands, it may not probably be worth the while for Mr.Sundaramurthy to take out a mining lease over the remainder of the area and the result would be that he would be altogether deprived of a good block which he has proved after a good deal of his money and time. There can be no question an expenditure of
therefore that we have every moral obligation to commensate Mr.

Mr. Sundaramurthy adequately for his loss of the chrome block in question.

The question of the best way of compensating the licensee has received my most anxious and careful cons ideration and I have had more than one personal interview with Mr.V.Manickavelu Mudaliar (who is the father and representative of the licensee, Mr.Sundaramurthy Mudaliar).

In letter dated 10th June 1918, he first claimed a compensation of:-

(a) A sum of two lakhs of rupees in cash.
or (b) The grant of a mining lease to him over the Hullenahalli chrome block in the Chennarayapatna Taluk, on the expiry of the present temporary prospecting license granted over it for a period of one year to Messrs.Oakley Bowden & Co., Madras. a n d a sum of Rs.18,000/- in cash, being the amount of the income (at Rs.1,500/- per mensem), he calculates to be deprived of for one year till the grant of the Hullenahalli Mining lease to him.

But after a long discussion and persuasion at my interview with him on the 15th instant, he has agreed to waive all his right to compensation, if the Hullenahalli chrome block in the Chennarayanapatna Taluk is granted to him after the expiry of its present term, and included in the mining lease of the neighbouring Bhaktarahalli block in the same Taluk.

Although Messrs. Oakley Bowden & Co., have urged the necessity of their being given the option of the renewal of their temporary license at the expiry of its present term of one year, there does not appear to be any moral obligation on the part of the Government to grant them the option applied for.

B. Jayaram.

Camp, Mysore.
23rd June 1918.

Offg: Director,
Department of Geology.

162/
25.6.18

D.O.

Ans 23.6.18
Rec'd

OFFICE OF THE DEPUTY COMMISSIONER,
MYSORE DISTRICT.

DATED, MYSORE 23rd J U N E 1918.

Dear Mr. Raghavendra Rao,

I herewith send the Memo, I promised regarding the lands acquired for the Tuberculosis Hospital near Mysore. I have given the facts frankly and have not hesitated to draw attention to shortcomings on the part of revenue officers.

2. If in sending up the declaration statements the Taluk office had intimated that the lands were comprised in a prospecting license the complication could have been avoided. Further the taluk office received orders to take possession of the land on the 5th February 1918 and orders to that effect were issued to the Sheikdar on 7th February 1918. On the 8th February in an independent correspondence the Taluk office has reported to the Sub Division Officer about the lands being included in the prospecting license. While this is pending in the Sub Division

the process of taking possession and handing over to the Palace is given effect to between the 9th and 15th February 1918. The Sub Division Office, which received the report on the 11th February took no action on it till the 14th March when it was forwarded for orders to the Deputy Commissioner. By that time the lands had been handed over to the Palace. Again statutory duties imposed on the Land Acquisition Officer by sections 8 and 9 (1) of the Regulation had been performed before possession of the lands was taken the duty of bringing his claims to notice would have rested on the license holder. But I should add that the license holder must have had knowledge of the acquisition or the intended acquisition even before he was permitted to continue operations on the time expired prospecting license, on the 12th January 1918, the Palace Executive Engineer has written to the Amildar complaining of the "under mining" on the 31st December 1917. On the 28th January 1918 the Sheikdar has reported that although the licensee's workmen were

were warned not to proceed with the operations on the lands intended to be taken for the Hospital, they persisted in doing so. It does not appear that the licensee brought this complication to the notice of the Geological Director before he secured the promise of a mining lease. The promise of a mining lease is given on the 23rd March 1918, but the warning that the land acquired for the Hospital would not be available was communicated to him by me by registered post on the 17th idem. At the time the land was taken possession of, therefore, the only subsisting claim of Mr. Sundaramurthi was the permission conveyed on the 12th January 1918 to continue prospecting operations on a time expired license, pending the orders of Government on his application for a mining lease. I should also add that up to this date, the Revenue Department has no intimation of the exact area proposed to be included in the mining lease. The prospecting license covers an area of one sq.mile, but the mining lease is to be confined to 40 acres. We do not yet know which the 40 acres is.

Yours sincerely,

Marthes

M E M O.

On the 16th December 1916 a license to prospect for Chrome and Magnesite in parts of the villages of Hebbal, Metgalli and Margowdanahalli of the Mysore Taluk was issued by the Geological Department to Mr. V. Sundaramurti of Bangalore. This was intimated by the Geological Department to the Deputy Commissioner on the 18th idem, and the Deputy Commissioner's Office in the usual course forwarded a copy of the license and the index map to the Amildar of Mysore on the 12th January 1917. (Note. The map is an extract from the topo sheet, from which it is impossible to determine the village boundaries or survey numbers, or to locate with precision the area covered by the prospecting license).

2. The prospecting license expired on the 15th December 1917 and was not renewed; but on the 13th January 1918 a memo was received from the Geological Department, communicating a copy of a letter of the 12th idem addressed to Mr. Sundaramurthi Mudaliar in which the latter gentleman is informed, with reference to his letter of the same date, that pending the orders of Government on his application for a mining lease, he might "continue operations in the area of the said license" - i.e., continue prospecting operations in the area covered by the prospecting license. This was also intimated as usual to the Amildar on the 24th January 1918.

3. In the meantime the Palace Controller applied on the 13th September 1917 to acquire certain survey numbers in the Margowdanahalli village for locating a Tuberculosis Hospital. Draft declaration statements were called for from the Amildar on the 15th idem and submitted by him on the 26th idem. After obtaining the Palace Controller's countersignature the declaration statements were forwarded to the Revenue Commissioner on 13th October 1917. The Revenue Commissioner put certain queries on the 15th December 1917, which were replied to after

after consulting the Palace Controller on the 2nd January 1918 The Revenue Commissioner addressed the Government on the 8th January 1918, and the acquisition was sanctioned by Government (in the Revenue Department) on the 22nd idem. The papers were received back from the Revenue Commissioner on the 25th January 1918, and the Sub Division Officer was asked (by D.O. letter on the 26th idem and by official communication on the 30th January 1918) to take steps for the acquisition of the land and for taking immediate possession of the same under section 17 of the Land Acquisition Regulation, as authorised by the Government, "after the issue of the statutory notices".

(Note. The draft declaration statement received from the Amildar and the report sent therewith did not indicate the fact that a prospecting license was in operation over some or all of the lands).

4. The lands were accordingly taken possession of, and transferred to the Palace on the 15th February 1918.

(Note. There was however an irregularity in the procedure in regard to this. The Sub Division Officer did not get the land marked out on the ground as required by section 8 of the Regulation, and issue the notice under section 9 (1) (which he was bound to issue before taking possession under section 17, and which he was specifically instructed by the Deputy Commissioner to do) calling upon all persons claiming interest in the land to lay their claims before him).

5. On the 21st February a communication was received in the District Office from the Palace Controller bringing to notice that some people holding a prospecting license were undermining the lands acquired for constructing the Tuberculosis Hospital and requesting that the lands be excluded from the operation of the prospecting license. On a reference from the Palace Executive Engineer to the Amildar on the same subject, the latter had made a report to the Sub Division Officer on the 8th February 1918

Which was also received in the District Office on the 14th March 1918. It being ascertained that the lands had been already taken possession of and handed over to the Palace, a notice was issued from the District Office to the license holder on 17th March 1918 to desist from carrying on any work on the lands acquired for the Hospital.

6. On the 2nd April 1918 Mr. Sundaramurthi Mudaliar wrote to the Deputy Commissioner enclosing a copy of the Geological Director's No.2422 dated 23rd March 1918 (in which it is intimated that the Government have sanctioned the grant of a mining lease to him) and saying that the Deputy Commissioner's notice was prima facie, not valid etc.

7. On the 6th April 1918 the Deputy Commissioner wrote to the Geological Director about the facts of the case, pointing out that any claim for compensation must be made to the Acquisition Officer, and requesting that the acquired area may be excluded from the mining lease.

8. On the 13th April 1918 the Director in his communication No.2528 enquired whether another site could not be chosen for the Hospital. In another communication of the same date (No.2534) intended as a reply to the Deputy Commissioner's letter of the 6th April, he said that he would refer the matter to the Government after hearing whether the Hospital site could be changed.

9. The Huzur Secretary intimated on the 16th April that the site for the Hospital could not be changed as the foundation stone had been already laid and construction work begun. This was intimated to the Director on 17th April 1918. No reply has been received.

23 June 1918

Mathias
Depr.

Issued 25/6/18

Indian Guests' Quarters

Camp Mysore, 25- 6- 1918.

My dear Mr. Matthan,

With reference to the question of the lands acquired for the Tuberculosis Hospital near Mysore about which there ~~was~~ is some dispute, I write to request you to kindly send, if possible, to-day, copies of the notification regarding the acquisition of the said lands and of the award of the Land Acquisition Officer. --

Yours sincerely,

Sd. C.S. Balasundaram Iyer

O.O. No. 5257-17-18 (Revenue)

105240

En one.

C.S. - Keep herewith the other papers

26/6/18

Office of the Deputy Commissioner,

Mysore District.

Mysore, dated the 25th June 1918.

My dear Balasundaram Iyer,

As desired in your D.O. letter of date, I send herewith a copy of the Gazette Notification regarding the acquisition of lands for the Tuberculosis Hospital near Mysore. The Acquisition Officer has not yet passed an award, but the land has been taken possession of and handed over to the Palace before passing of award under Section 17 of the Acquisition Regulation.

Yours sincerely,

Mathias

OAKLEY, BOWDEN & CO.
(LATE INDIAN WAREHOUSE CO.)
MADRAS AND CALCUTTA

TELEPHONE NO. 82
TELEGRAMS "WAREHOUSE"
CODES { A. B. C. 5TH ED. / LIEBER'S / PRIVATE

POST BOX 67
Anand Rao Circle,
Bangalore City, 20th June

Recd Acknowledgement 21.6.05

Read

P. Raghavendra Row Esq.
Second Councellor,
The Government of Mysore,
Bangalore.

Sir,

With reference to the interview you were good enough to accord our Mr. C. B. Oakley with regard to our Chrome Mining operation Mr. V. Manickavalu Mudaliar has informed our Agent that he has made certain representations to Government adversely affecting our application to the Director of the Department of Geology on 13th instant., under these circumstances we have the honor to request that you would be good enough to permit us to represent our case before the Durbar decide the issues involved. Our representations are now being prepared and will be forwarded tomorrow through the Director of the Department of Geology.

Thanking you in anticipation,

We have the honor to be,
Sir,
Your most obedient servants,

W. Oakley Bowden & Co

C. B. Oakley

Diary 10546

18

. Jayaram Esq., F.G.S.,

Officiating Director,

Department of Geology,

Mysore State, Bangalore.

Sir,

With reference to the License granted us under Governme
Order No.G-11726 for the extraction of Chrome Ore for Munition pur-
poses in the Chennarayapatna Taluk over an area adjoining the villa
of Hullanhalli, and the correspondence ending with our letter of 2nd
19th instant.

Mr. V. Manickavelu Mudaliar has informed us that he has
made proposals to you in regard to the Mining Lease of Hullanhalli
in connection with a claim of his against the Durbar regarding the
occupation by Government of the Koppal area near Mysore, over which
he held certain mining prospecting rights. We would mention at the
outset that Mr. V. Manickavelu Mudaliar himself informed us of the
action he was taking and showed a copy of his proposed letter to our
Agent, hence our knowledge of the arguments he has brought forward.
At the same time it is possible that he has varied the letter from
that it was when he showed it to our Agent, but you will see at on
if there are any discrepancies and if so will understand the cause.

The interest involved is so large and the loss and d

and injustice that will be done to us is so evident, we feel sure that the Government will pass no orders unfavourable to us without giving us an opportunity of meeting the allegations made behind ou back against us. We feel sure we will easily convince the Government from the papers in our hands that here is no foundation for the charges made against us and there are no merits in the case put forward by Mr. V. Manickavelu Mudaliar. However, to prevent any action being taken we are meanwhile taking the liberty of addressing this letter to answer those allegations, which we have reason to believe Mr. Manickavelu Mudaliar has made against us.

Briefly then the case as put forward in the letter shown to our Agent was as follows:-

(1) That as compensation for loss of rights on koppal Mr.V. Manickavelu Mudaliar demanded a sum of 2 lakhs from the State.

(2) That he was willing as an alternative to relinquish his claims to Koppal provided he received a Mining License over the Hallimalli area, and

(3) That he alleged that we had committed irregularities in obtaining the license we now hold and that it should rightfully belong to him (on this head naturally we did not see this portion of the letter, but understood he was bringing this point forward from statements made by him at various ti times,

(4) He has also stated that he has acquired the surface rights of the area of our Prospecting License.

(5) That we are impeding his completion of a contract made by him with the Mysore Minerals Limited of which we are Managing

Agents

and other allegations in connection with which we would ask the favour of a hearing before the settlement of the issues at stake.

We can only deal with these questions seriatim and at some considerable length, which, however, we trust you will excuse, in view of the importance of this question as affecting Munition supplies which are urgently required by the Allies.

The position at the time of granting us the license for our area was that we held contracts to supply Munition works in England with Chrome Ore up to 18,000 Tons or 24,000 Tons if possible. Our existing sources of supply were inadequate but following on a visit to the Mines of our principal supplier's Mr.V.Manickavelu Mudaliar [illegible] discovered another large deposit and submitted an application for a Prospecting License on which in due course, if successful, he should doubtless have applied for a Mining Lease. Our supplier Mr. V. Manickavelu Mudaliar subsequently claimed this area and it was given to us finally, it being established that ours was the prior claim, but for one year only, on our expressly waiving our right to the grant of a Mining Lease. This decision was arrived at after personal interview with Mr. Emerson, I.C.S., early in February last when we were told that the reason he granted us a license for one year was that otherwise Munition supplies could not be made to England, and that he insisted upon our waiving the right to claim a Mining Lease solely due to the consideration that the Durbar [illegible] the question of conserving the resources of the State [illegible] should not hamper any possible future developments [illegible] Mining Leases during the present time. This, as

enabling us to get supplies urgently required by the Home Govern-
without hampering the future policy of the Durbar was mutually
eptable, and we agreed to these conditions.

1. This question is one between the Government and Mr. V.
Velu Mudaliar and therefore we have nothing we can say unless
that the amount claimed bears no relation to the profits made
of this property according to Mr. V. Manickavelu Mudaliar's own
to us, but we would mention that the value of this proper-
demonstrated by our Mining Engineer and all Ore sold there
passed through our hands.

2. This is a very important question and we must respectfully
the strongest possible way that this demand should not be
Mr. Manickavelu Mudaliar has no claim whatever to the
He now seems to believe he is bringing forward an alleged moral
which we deal with under para 3, and his proposal involves so
subversion of every principle of equity and justice that we
should think it only requires stating in order for it to be
This property was discovered by us, is being opened by up
at a very considerable expense, and Mr.Manicka.elu Mudaliar
nothing whatever to do with it, and on the other hand is doing
he can to hinder our operations and has told us himself that he
Rs.25,000,- if by so doing he could prevent our working
this purpose for which the Government has granted
licenses. The grant of a mining lease at all over this area
departure from the policy of the Government as expressed to us
early last. We recognise that Government may at any time

...me change its policy on reconsideration, but we respectfully ...bmit that to take from pioneers the result of their discoveries ... developments and to hand them to another party, who had no par... ...either their discovery or working, in settlement of a private ...aim of his against the Government involves so great a contra ventio... ...every principle of justice that the Government would not listen ... any such proposals for a moment unless the relevant facts were ...t brought before it

With regard to item 3 we do not exactly know what accusatio... ...are contending against and it is therefore difficult for us to ...l with this question and we can only do so by going over past ...story but as briefly as possible.

We submit that all possible considerations that could be ...e forward, were considered by the Government when the License of this area was issued to us in preference to Mr.Manickavelu Mudaliars ...nominee, and it seems to us unnecessary to go over the same ground ...gain. We believe however that an attempt is now being made to make ...it appear that Mr.C.B.Oakley was acting as Mr.Manickavelu Mudaliar's ...gent at the time he discovered the Hullanhalli area. Nothing is further ~~from than~~ the truth. Mr.C.B.Oakley was the Agent of Messrs Oakley Bowden & Co: and at no time was at liberty to act as the ...gent of anybody else, although this effectually disposes of the ...uestion. We append a full account of what actually transpired.

In January, you, as Director of Geology, notified Mr. V. ...anickavelu Mudaliar that you wished to visit his blocks - Koppal & ...akkurhalli - in his company to see how they were being developed

L. Jayaram Esq., F.C.S.

...loped before the issue of the Mining Lease, Mr. Manickavelu Mood... to Mr.C.E.Oakley and representing that it was extremely diff... for him to leave Bangalore at that time on account of his bus... engagements suggested that Mr.Oakley might perhaps go with Mr. ... on his behalf. As Mr.Oakley wished to visit some other pro... s on his own account, including one held by us and one by Mr. ... he agreed and arranged with you to visit all the important ... osits in Mysore. This was entirely a friendly arrangement ... fore leaving Bangalore Mr.Oakley wrote to Mr.V.Manickavelu Mud... ing out that as he was leaving Bangalore on Mr.Manickavelu Mdr'... s he expected him to reciprocate by attending certain busines... alore on our account in which Mr.Manickavelu Mudaliar also ... ... letter is most important as we understand ... has grossly misrepresented as written confirmation that ... Mr.V.Manickavelu Mudaliar's Agent and therefore the ... of the four should belong to him. We lay particular emphasi... ... that the arrangement was entirely one to oblige Mr. V. ...lu Mudaliar and that he never offered (nor did we dream or ... to deny any of Mr.Oakley's expenses, and there was never ... ...ent idea that Mr.Oakley was other than a Free Agent. This ... borne out by the fact that Mr. V. Manickavelu Mudaliar ... the itinerary included visits to other mines - Honemalli ... to the Mysore Chromium Mines, near Arsikere, Bakthavhalli ... Mr.Subramanyam's own property, near Nagarhalli, Hachenhalli ... ng to Mysore Minerals Limited., near Mysore, of which he is a ...or, Woodupalayam and Kinnuvalli belonging to the Mysore

Mysore Chromium Syndicate, Dod Kattur our own private property, and another property at Holi Narsapur belonging to Mr. Burr were visited. If Mr. Oakley proceeded at all as his Agent he would naturally have paid his expenses and a fee (which, as a Mining expert of many years standing would have been heavy) and there would have been no question of his visiting properties belonging to others. We again emphasise the fact that it was a friendly arrangement and the only reciprocity we asked was that Mr. Manickavelu Mudaliar would give particular attention to a business project we were mutually conducting in Bang.. lore. To produce this one isolated letter without its context and to endeavour to lay a moral claim to Hullanhalli thereon is totally unjustifiable & we submit misleading.

4. The statement that Mr. Manickavelu Mudr has acquired the cultivating rights of Hullanhalli is untrue. With a view to endeavouring to honour us in our operations he had endeavoured to buy a large portion though not the entire area, but this was frustrated and he only actually holds the cultivating rights over one small plot of about 5 acres, and on this we have refrained from working. The whole question of acquiring or endeavouring to acquire the cultivating rights took place after the license was issued to us and admitted by him to be with the sole purpose of endeavouring to prevent our carrying into effect the purposes for which the Government had granted us the Prospecting License.

5. This statement if made is an entire perversion of facts. We have over and over again called upon Mr. Manickavelu Mudaliar to fulfil his contracts in the Mysore Minerals Limited, and to deal

deal fairly with this Company, of which he is a ~~managing~~ Director ... have from time to time advanced him considerable sums, t h e last instance of our practical assistance being that we, as ...agents of the Kyoore Minerals Limited, advanced him £1,500/- on May 15th to enable him to speedily deliver 1150 tons of ore before 30th June, and also refrained from carting ourselves to assist him. To far not a hundred tons has been delivered, and ... the likelihood of completion. This is not due to a n y ... action or obstruction on our part as we have not yet carried ... effect any arrangements for the moving of the Ore from Kulia... ... would in any way compete with his cart supply. We ... therefore been compelled, at heavy cost, to purchase from ... our own mill Ore to enable us to fulfil our ... ments ... Controller of Shipping and the Ministry of Munitions, you ... how it is impossible for us to rely solely upon ... to obtain Ore has now become an imperial need in view of ... failure of the efforts of the Administration agents to complete ... agreement with the Ministry, and how essential it is that ... should take energetic and efficient measures to ... us to our contract engagements.

(The ... point, although perhaps not strictly ... would emphasise that it is to us alone that Mr. V. ... owes the fact that he is able to produce saleable ... from the Kitwe Hill block. This block was always regarded ... low grade proposition only, although our office had indicated ... there was Ore present in the area. It was not

not until our Mr.C.A.Oakley visited the spot and made careful inves
tigations and classifications that this deposit of high grade Ore
was definitely located and opened up and its commercial value prove
This fact was of course there but only discovered by our exertions,
and Mr. Varicheveln Muthaliar had, a year previously, made one ship-
ment through us which assayed only 4½. It is therefore due to
our exertions that Mr. Manickavelu Mudaliar owes the position he now
does as holding a mining lease over a property producing high grade
ore. We therefore all the more resent the unjust aspersions which
he has cast upon us in our endeavouring to obtain a
position for ourselves after he has refused to permit us to share in
the benefits he has obtained through our expert advice & practical
assistance. We regret having to bring these personal points, but
see no other course open to us in view of the personal attack which
has been made.

We would again reiterate that we have previously placed on
record, the fact that the Ignore Personality limited which we formed &
financed - issued the whole of the working capital for all Mr.
Mudaliar's concessions. When our efforts as Mining Agents
of this Company have materialised with success he prefers to take
control of the operations and deal direct with the contractor
who these Persons had hitherto supplied. With his action here, in
this connection, we have our rights if we choose to enforce them,
but we prefer to carry on our operations with as little friction as
possible and without the intervention under the existing arrangeme

To sum up the present position, we have orders for Munitio

Munition supplies of this Ore to the extent of 28,000 to 34,000 Tons of Ore, while Mr. Manickavelu Mudaliar has orders to the extent of 6000 tons only, which he is supplying to Messrs Jaeger Brothers, a firm of naturalised Germans in London, who, doubtless, are in their turn supplying the Munition Factories in England. Mr. V. Manickavelu Moodr's block - Bakthurhalli - is capable of supplying commercially more than 6000 tons; therefore, to grant his request would mean giving him supplies he does not need while preventing us from complying with Munition orders to the extent of probably 28,000 tons. Apart from Hullanhalli we only lease properties capable of producing some 100 tons monthly as a maximum & therefore unless the License for Hullanhalli is extended for another year we shall have to notify the Home Government that we are unable to supply ore after February next.

We submit that the conditions prevailing in February last as set out in our letter of 18th February to Mr. A. M. Banerjee, which induced the Durbar to grant us the special license exist unless strong or stronger force today, and justify a renewal of that license for a further period of one year.

We think we have shown that Mr. Manickavelu Mudaliar has no claim or moral right whatever to a Mining Lease over the area we have discovered and opened up, and that his proposal involves so great an injustice to ourselves that it only requires statement for the Durbar to refuse it. Further, we respectfully submit that if the Durbar intends to alter its provisional policy and to grant a Mining lease at all, our claims as pioneers deserves sympathetic

sympathetic consideration, we having spent considerable sums on the development of this area and other Mining projects in Mysore since 1906. That point, however, is for future consideration, and we do not bring it forward now. We only ask that the Durbar will grant us facilities to enable us to employ demands from the Home Governmen departments for distinct war purposes and extend the period of our prospecting license one year, and have no doubt that on our representations above this will receive your favourable consideration.

We must apologise in conclusion for taking up so much of your time in this letter but could not place the position fully before you in shorter compass.

I have the honour to be,

Sir,

Your most obedient servants,

Oscar Bonnell

Q&C No. 1259-17-18
Rec'd

14

Office of the Deputy Commissioner,
Mysore District.

Mysore, dated the 17th July 1918.

My Dear Balasundaram Iyer,

In connection with the dispute relating to the acquisition of certain lands for the Tuberculosis Hospital, I had promised to send up information regarding the arrangements, if any, which Mr. Sundara Murthi Mudaliar had made with the owners of the lands included in his prospecting license as regards surface rights.

2. In Government Order No. R.7429-31/L.R.80-17-12 dated 22nd January 1918, the acquisition of certain occupied Survey Numbers and the appropriation of certain kharab Survey Numbers for the Tuberculosis Hospital were sanctioned by Government. The holder of the prospecting license has made pits in Survey Nos. 113, 118, 119 and 121. Most of the pits are in Survey No. 121 which is a kharab Survey Number. As regards the other fields which were in occupancy, the licensee has informed the Amildar that he has no papers relating to the acquisition of any surface rights, but that he has been carrying on -- operations on private lands with the consent of the owners. The owners of Survey Nos. 113 and 119 have also given statements before the Amildar to the effect that there have been no written agreements between them and the licensee, but they say that the licensee had promised them orally to compensate them for the ore removed from their lands, and that he has failed to fulfil the promise. It is thus apparent that the license holder has not entered into any written agreements with the holders of the lands included in his prospecting license.

Yours sincerely,

10546
10540

G. R. S. III-2)

General and Revenue Secretariat. | Genl File No. [illegible] of 191 .

M. D. 21-18. | Serial No.

Correspondence relating to the acquisition of certain lands for the Tuberculosis Hospital near Mysore.

Forwarded unofficially to the Government Advocate for favour of opinion.

By order.

Asstg Secretary to Govt.

29.7.18

M. D. No. 5/18-19

6 AUG 1918

11038

2 Under the Land Acqn. Regn. land underlaid with minerals the right to obtain which had already been alienated may be acquired and if the intention is to acquire the whole land including the minerals underground and to prevent the owner of the minerals from working them as he pleases, he will be entitled to compensation according to law prevailing in Mysore the right to met x minerals to be extracted by any process of mining vest-

NOTE—Contn. sheet.

Serial No.

absolutely in favr. unless otherwise expressly provided for in any grant made by favr. Inasmuch as favr. have the right to issue prospecting licence & mining lease even in respect of lands in the holding or occpn. of others the right of favr. to do the same by the acquisition of the surface rights as well is not lost. In the present case the acquisition precedes the grant of the mining lease, tho' on the date of the publication of the notifn. for the intended acquisition the lessee had only the right to obtain the lease. By virtue of the order of favr. no G 12544 dated 22.3.1918 the lessee acquired a valid lease. It is no doubt true that the grant of the lease was due to a mistake of fact, but if on that date favr. had the right to grant as I think it had the

Serial No.

Mistake is such that in law it does not in law vitiate the Contract the lessee can therefore claim some Compensation for the loss of his rights. As the [illegible] is nothing to be Compensated for the exchange of these lands is a question for Consideration whether Govt may not give him some of these lands in which third parties have acquired no mining or mineral rights.

3-8-18

Submitted

6-8-18

3 Thursday 4/8/18

4 The papers are submitted for perusal.

5 A personal discussion of the case with the Govt advocate will perhaps be useful.

Extra member

8/8

12/8

P. 70.

1054

G. R. S. III-2

General and Revenue Secretariat. | File No. | of 191

Serial No.

I have gone into the first Advocate & have also had the advantage of a personal discussion with him on the matter. The view taken by him is just what I had apprehended myself. viz that whatever the mistake of the Depts concerned, the Govt is bound to take notice of the claim put forward by the Lessee. But before the case goes up to the Council the Legislative Secretary may decide upon the case. The Parties the Tahsildar This has already hung fire for months now & it is very necessary & desirable that its disposal should be further delayed.

Peel
13.8.68

Ass & Secy. put up a note at once

Hy
13/8
Peel
13/8

Received 13th Aug 14.8.68.
B

Possession of the lands proposed to be acquired under the Land Acquisition Regulation was taken by the Dy Comr on the 15th February 67 The lands thereupon vested absolutely in the Govt free from all encumbrances as the case may be

NOTE—Contn. sheet.

10546 5

G. R. S. III-2)

General and Revenue Secretariat. | File No. 76 of 1918.

Serial No.

under the terms of the prospecting license granted to Mr Sundara Murthy Madeliga the licensee was entitled to a mining lease as on his applying for the same within the expiry of the first lease, Govt. granted a mining lease on 22.3.1918, that is more than a month and a half after the lands became fully vested in the Govt. Govt were competent to grant the lease, and the lease is therefore fully valid if it is now carried impossible to give effect to the lease, an agreement must be arrived at with him, & and he might be compensated by the delivery of a grant of similar land elsewhere, or his interest in the mining lease will have to be assessed & given under Mr. A. Rajalakshmi

3.7.18

Submitted)
For perusal
Extra secretary

C.S.
9/8/18

The legal position appears to be quite clear now. Govt acquires the lands in Feby & the March following granted a mining lease relating to the same

NOTE—Contn. sheet.

Serial No.

area. As such the lease is valid & cannot be disputed. As matter of fact it is not possible to allow the lessee to free effect to his sub soil rights without detriment to the surface rights now vested in the Palace. But it is open to him to ask for specific performance and as this cannot be permitted the only via media is to buy him out. Cash compensation is out of the question & the only other way in which his claim can be met is to grant him a prospecting licence - with hopes of acquiring the mining rights - in any suitable locality. As a matter of fact the lessee has mentioned such a one himself. viz the Hullenahalli block. licensee to prospect in which during the current year is held by another firm Oakley Bowser & Co. The lessee wants this block for two reasons. firstly because it adjoins his other block viz Bhaktarahalli Secondly because O B & Co are his rivals in business & he wants to keep them out of it. O B & Co have asked for an extension of the current period over this block, as a matter of fact but they have been told that O B & Co get the extension or not, it is equally

NOTE—Contn. sheet.

General and Revenue Secretariat. | Geol File No. of 191

Serial No.

A

undesirable that Mr. Manickavachi Mudaliar should get that block, for in the light of what has happened, it is bound to become a public scandal. So Mr. M.'s proposal to be compensated by a grant of this block is one that cannot be considered. Further it is necessary to compensate him by the grant of another equally suitable block & the Director of M. & G. may now be asked to suggest some for the approval of Govt. So much for this case in particular.

From the facts of this case it will be clear, that the position was created by the requisition under the L.A. Rules of lands, otherwise reserved & which Prospecting licenses had been granted previously & mining leases subsequently. This was due to a want of correct understanding between the Geological & the Rev. departments. This in its turn is due to the present procedure, which does not afford sufficient protection against mistakes of the kind being made. The applicant furnishes only a key map on a scale of 1m = 1" & this is passed on by the Geological to the Rev. Dept. The Lakes department cannot [illegible] in which the villages & the S. Nos involved, and cannot for the same reason make a record of the

NOTE—Contn. sheet.

Serial No.

in the Village Khet war. Unless & until the S. Nos involves in a prospecting licence or mining lease can be made known to the Rev authorities & this fact is noted in the village Accounts, it is impossible to prevent mistakes of the kind being made or happening. Bombay before taking further action both the Geological & the Rev. Department may also advisedly communicate on the point.

Rees
20.8.18

Bewar).

1057
23/8/18

Rev
22/8/18

11 Action may be taken on the lines suggested by the Secretary Member and the matter furnished with final notes when placed in record. Very early action is necessary

D. 9. 18. RO

Mr. Ross to see

Please write up a draft & kindly bring it up in person

ROS
9/9/18

12 Bring Put up this reference since recd from the Genl Dept.

Rev
10/9

Submitted with the references referred to.

AHS
12-9-18.

15 Draft off appr by the Ch Secy

Rev
3/9

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—

G. R. S. III-2]

2466
5442

9

General and Revenue Secretariat.

Gen. File No. 95 of 1918-19

Serial No.

To the Revenue Commissioner

No G 6234-5 d 25-9-18

Forwards, in continuation of this office d 31-7-18, a copy of letter no 584 d 23-8-18 from the Director of Geology submitting certain proposals regarding the procedure to be adopted in keeping the Revenue Dept definitely informed of areas granted for prospecting operations & calls for his opinion in the matter.

To the Superintendent, Revenue Survey & Settlement.

No G 6234-5 d 25-9-18

Forwards copies of communications referred to above & calls for his opinion in this matter.

16 Submitted with a draft to the Director of Geology as previously directed 17 June

A.M.B. 30-9-18.

To the Offg Director, Dept of Geology

No G 6660 d 30-9-18.

States that it seems desirable to compensate Mr V. Manickavelu Mudaliar for the area included in the Morgondanahalli Mining Block which has been acquired by Govt, by the grant of another suitable block & requests him to suggest some for approval by Govt.

18 Submitted with two draft reminds

A.M. 18-10-18.

19 June 9.4

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S.

G. R. S. III-2]

G274 S168 10

General and Revenue Secretariat. | Geol File No. 75 of 191

Serial No.	
	From
2	Actg Dir: Department of Geology Letter no 1304 of the 18th November 1918 States with reference to the question of compensating mr V. Manickam for the mudah that the only block available for reasons given was the Hulletshalle block [illegible] no other [illegible] available From The Superintendent, Revenue Survey Letter no 113 of the 22nd Novr 1918 which certain proposals in the matter of the procedure to be adopted for keeping the Revenue Dept informed of areas granted for prospecting operations. 20 Proposals from the Rev: Comr are still under Draft reminder put up for approval & orders 26/11/18 21 Issue As Rqd. Please put up file on which temporary license was granted to Messrs Ohlsson's Cocoanut Co Ltd [illegible] 10.12.18 2 Submitted with the reference AHS 16-12-18.
	24 Submitted with reference to portion marked A on page 7 ante (Member's orders) the Director of

Attached

7. (22-12-18) This is not the file Please bring up now 19/12

AHS 28/12

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S

G. R. S. III-2]

General and Revenue Secretariat.

Geol File No. 7[illegible] of 191[illegible]

Serial No.

Geology is responsible for that the Bullenhalli block is the only one that would really compensate and satisfy Mr Marickveln Mudaliar. He also thinks that there could be no objection to the block being given to him in compensation. (With reference to this however please see members notes, page 7). There seems to be no serious objection, it is submitted, to give this block to Mr Mudaliar as proposed by the Director. In file 82 of 17 Mr CB Oakley agreed (vide flag R) on behalf of his Co[y] to "one year's prospecting licence and waived all right to a mining lease. In refusing a renewal to that Company therefore Govt would be entirely within their rights. The Company cannot say either that Govt refused them renewal in order to put themselves right with Mr Mudaliar because this condition was imposed in Feb[y] 1918 and the difficulty in respect the Nagondanahalli block arose later i.e. the Prospecting ~~Licence~~ Lease which is the cause of trouble was granted on 22/3/18. The restriction placed on Oakley Bowden

NOTE—Contn. sheet.

Serial No.

Co was therefore quite in the usual course of policy; ~~only it happened that~~ they would have been imbossed on others in the same circumstances; and whether or not the difficulty in relation to Mr M. Mudaliar arose the Company would have had no right to a renewal of the license nor to a mining lease under it. It now happens that the block is the only available one to compensate Mr M. Mudaliar with, and may, it is respectfully submitted, be given to him without any serious impropriety in the light of the above facts. Your attention is particularly invited to paras 4 and 5 of the Director's letter of 18th Nov 18.

Yours

Chief Secy)

23/12

25- The Director says that there is no other suitable block to be given to Mr M. Mudr. except Hullenhalli, the prospecting license over which granted to messrs Oakley Bowden & Co has still a few months more to run. As soon as the block

The question of marking in Survey maps the Shimoga taluks was treated in a separate file & not noted up with this file - COR 17/12

... reference attached to

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S.

Serial No.

is free if may be given to Mr Mundr & the present question settled.

2. As pointed out in the Asst Secy's note above Messrs Oakley Bowden have taken the block on special terms for a year & do not seem to be under any sort of obligation to them to grant any extension or otherwise.

2nd Member

CSJ
27/12/18

3. N. Stems & me Mail it has now become a case of "Hobson's choice". Conditions have however considerably changed since I minuted on this case on 20.8.18, & which have caused & the present time become to an end. In these circumstances the grant of the Ambernath block to Mr Mundkur in lieu of the Kirkee-Ambernath block may be approved, after the period of the P.L. Messrs Oakley Bowden to have obtained with reference to the terms become to an end, i.e. in March 1919.

Paul
27.12.18

Secy

3586
2.1.19

4.1
Secy

2/1/19.

R. 207/18 NOTE—Contn. sheet.

R. S. 12]

General and Revenue Secretariat.

Gio File No. of 191

Serial No.

29 Draft letter to Director mds subdfr appd

Chief Secy) 2nd member

29/10-263
11-1-19.

11 Having the remarks of a conversation which I had with him on the subject of Mr. Smith's case, in connection with his wish that he would like to be permitted to see his file & to express his opinion in the matter before final orders were passed in it. If the Dewan approves we may accordingly grant his request. It is an important case & I think it would be desirable to have his opinion also on record, before final orders issue in it.

13.1.19

3932
16.1.19.

Dewan)

1808

33 Director
Mines & Geology

15.1.19.

34 Forwarded to with Compliments to the Director of Mines & Geology for favour of opinion.

for Chief Secy
21.1.19

V.O
93 dated
23/1/19

NOTE—Contn. sheet.

GPB—65,000—17-6-12.

General and Revenue Secretariat. | File No. of 191

Serial No. No. 2738

67 I have now been into this question carefully and have inspected the Hullenhalli Block and received a report from Mr. Sellon about the position at Mangrow. In both a serious error has been made in acquiring the site for the Hospital over lands for which mining rights had already been granted.

26 The Revenue authorities say they did not know of the existence of the mining rights notwithstanding that the D.C. and Amildar were both furnished with a copy of the Prospecting Licence and a map showing the area included and the village boundaries as well as a schedule giving the names of the villages. No steps appear to have been taken to record or note the existence of the Prospecting Licence and the Rev. Officers claim that they could not identify the area as the survey numbers are not mentioned. I am unable to admit that the area could not have been identified very easily especially by the District Surveyor but no attempt appears to have been made by anyone to identify the area granted nor has any plea of difficulty even been raised by District or Taluk

ok the present trouble is due this in the best manner possible Bell

I think there is difficulty in this Bell

not always feasible owing streams flooding & other work Bell

NOTE—Contn. sheet.

WD A 1789—GPB—60,000—20-8-18—S.

Serial No.

authorities. In future steps will be taken to indicate survey numbers but this cannot be done with regard to existing Leases and Licences and I have proposed that District and Taluk authorities should be specially warned to note and identify the areas of Leases & Licences within their jurisdiction.

[Refer separately sub to Second Member 9/12/18]

I think I have minutes upon this already Reed.

3 So far as I can gather from the records no notification of the intention to acquire these lands was issued until after the lands had been taken over so the Licencee had no opportunity of protesting. It seems impossible that anyone can have even inspected the lands to be acquired without seeing the mining shafts and pits of which there are some 13.

38 From a perusal of the Correspondence this Officer thinks there appears to be no doubt that the Licencee has a claim to either the grant of a mining Lease or to compensation. He claims as compensation either Rs 2 Lakhs or the Hullenhalli Chrome Block.

This is part of the Precis of the proceedings Reed

Both of these claims are in my opinion excessive but it would be impossible to assess the value.

39 It would simplify matters immensely

NOTE—Contn. sheet.

G. R. S. III-2)

General and Revenue Secretariat.

G. & File No. of 191 .

Serial No.

I see more in a position to give the applicant the lease he has applied for. If he accepts it would mean a considerable loss on the buildings already erected but this would be very much less than the Rs 2 Lakhs which he claims, or than the value of the Huttenhalle Block which might eventually be worth still more or than any sum which a court of arbitrators might award.

There is considerable force in this argument. Bell

4th If we are prepared to offer the running lease the applicant may think it worth while to accept some reasonable amount of compensation instead - say some Rs 25,000 or more - as I do not think, from the reports I have received, that the Margonstenhalle Block is of very much value

To Chief Secretary

H. A. Cheesman 7.3.19

141 2nd member)

5523.118
19.3.19

ebj 18/3/19

4th Mrs May be considered alone 19/3/19

NOTE—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat. | File No. 95 of 191

Serial No.

[Sent to the Dewan on 17.3.19.]

M&I 20.3.19.

With the Compt note put up herewith
17.3.19.
Dewan.

Dwl
20.3.19
MK

43 There was no delay
I think there are other
applns pending for the head's
& relations in respect
of prospecting licenses
& latterly made

44 Mr. Thomas Webb
Baker & Another licenses
mentioned in the
land which was given
for 7 years

45 Under these circumstances
Under the law in
this dispute

46 There has been much delay
in dealing with the case
mostly on account of the
Mr. M.V. Mudaliar engaged
& employed by many
of the parties before the
dispute date many
adjourned in Calcutta with
2nd counsel [illegible] 24.3.19

[illegible] was [illegible]
Dewan
separate
see letter [illegible]

Renewal appln was rejected - and as the licensee was to expire on 20th inst: they must have vacated the block - they have however applied for a reconsideration - [illegible] separately filed. Rec 21.3.19

NOTE—Contn. sheet.

C R. S. III-2]

General and Revenue Secretariat. | File No. 95 of 1918-19

Serial No.

49 Subd & the second member
Dew
21/3/19

56 12-207
22-3-19

Secr.

50 Any date in the first week of next month
april - with first my convenience the hour
may be 3.30 p.m. if he does not approve.

Dew
25. 3. 19

Subd.

Dewan) 51 Monday 7th may be
fixed
at 4 all pendy
case may be pressed
(6) - with the files called
52 Off put up appl

Dew
29.3.19

58 J. 402
19-3-19

Second member) 54 Dont approved

Dew
31. 3. 19

NOTE—Contn. sheet.

P 30

(20)

G.R.S. III—3]

Routine Notes.

[To be used only for notes, requisitions etc., not intended for permanent record.]

55 The case regarding the claim of Mr. Manickvelu Mudaliar for compensation in respect of the Maregowdanhalli mining block acquired for the Tuberculosis Hospital, has been posted for hearing on Monday the 7th instant at 3.30. p.m.

56 Orders are solicited as to whether the date may not be altered in view of the Dewan's proposed tour. The convenience of the Second Member about alteration of date may also have to be ascertained. He has already stated that any date in the first week of April would suit him.

57 Monday 14th May
May be fixed here
Consult the 2nd Member
2/4

58 Issue as revised

3/4/19

3/4/19

3/4/19.

N.B.—Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

8168

G. R. S. III-2]

General and Revenue Secretariat.

Geol File No. 95 of 1918-19

Serial No.

To The Director of Mines & Geology
No G 2946 9 3-4-19

Requests him to ask Mr. Manickavelu Mudaliar to appear at Council Chamber on the 14th inst for a settlement of the question of compensation claimed.

59 Submitted. May the file be submitted to Second Member of Council for kind perusal? Reference paragraphs 56 & 57 above.
AHS. 3-4-19

60 The draft examined — Submitted for perusal
Second Member
Rec 4.4.19

5956-32
4-4-19

61 Seen
Rec 5.4.19

62 Make the list complete & please keep typed copies for Secretary & Members —
Rec 5/4/19

XX
Mr AHS
5/4/19

Typed list is complete typed copies will be

63 Done

Letter No 2962 9 7-4-19 from Director of Mines & Geology

States that Mr. V. Manickavelu Mudaliar will be present on the 14th inst at the Council Chamber and requests to be informed whether it is necessary that he (Director) should also be present at the time.

64 Submitted for orders.
AHS. 9-4-19

65 I have put up a D.O. letter to Mr. Wrapper if considered necessary
Mr may be Secretary is Mr

NOTE—Contn. sheet.

17938

G. R. S. III-2]

General and Revenue Secretariat. | Genl File No. 95 of 1918-19

Serial No.	
	Telephoned to on Monday & this letter considered unnecessary
	10.4.19
6121-257 10.4.19.	Second Member
	66 I do not know what the intention of the Dewan is. It was to decide if Mr. Sreenivasa was intimated after March. Secy has mentioned the enquiries the Engineer & the Dewan obtained his orders on it
	1.4.19
	67 Sub to Dewan for orders.
	11/4/19 12/4/19
68	Yes. May be represented whether Deputation needed. 13.4
	69 Secy 14.4.19

NOTE—Contn. sheet.

A FEW POINTS FOR KIND CONSIDERATION.

1. There is ample evidence to show that it was only my efforts that proved the Nuggihalli area to contain high grade ore. Several officers of the Geological Department spent several field seasons in the area incurring heavy expenditure to the State and the results of their investigations, as published in the several Records and Bulletins ending with Bulletin No.7 on the Mineral Resources of Mysore, are to the effect that the Chrome ore of the area in question is only one of low grade (42% - CR_2O_3) vide page 110 of the said Bulletin No.7. The Mysore Chromium Company who originally held licenses in the area in question also condemned the area as one containing only low grade ore and arrived at the conclusion that it was only by concentration that they could make the ore go up to 48 or 50% CR_2O_3. I after spending lakhs of rupees on several blocks in several parts of the State first discovered and proved that the area in question is one of the richest Chrome bearing areas in the world yielding 50 to 52% of CR_2O_3.

2. The discovery of rich chrome ore in my present Bhaktarhally Block in the area in question and my endeavours to get possession of the adjacent Hullenahalli Block, for which my representative Rangappa was the first applicant in February 1918, aroused the jealousy of Mr.C.B.Oakley who, as one of my representatives, went to the area in company with Mr.B. Jayaram, Officiating Director, but who by some hook or by crook managed to get a temporary license over the Hullenahalli Block, although the Offg. Director had been pleased to recommend the grant of the license to me.

3. The enormously large quantities of ore that have been mined from the Bhaktarhalli and the Hullenahalli Blocks during the past year have also aroused the jealousy of the present Director, Department of Mines and Geology, who has been urging the reservation of the block for Government.

It is extremely singular that the Director should not have thought of any such reservation before he saw large quantities of chrome ore mined from the above blocks, nor does it appear to be the case that he has suggested to the Government the reservation of any similar block in any other part of the State. The attitude of the Director, Department of Mines and Geology, in this matter is, therefore, open to serious question. If he had thought of the necessity for the reservation of the block, there was nothing to have prevented him from suggesting it to the Government even before the grant of the licenses to me or to anybody else in the area in question.

4. As a matter of fact and as the several volumes of the Bulletins, Records, Memoirs, etc., that have been published by the Department show, that he never knew until lately that the areas were rich in high grade ore. May I, therefore, solicit a kind consideration of my title to the Hullenahalli block in virtue of my long and persevering efforts to prove the area to contain rich chrome ore.

5. The Margowdanahalli Block in the Mysore Taluk which has been acquired by Government had similarly been condemned and abandoned by the previous licensees as not containing high grade ore in large quantities. My claim for the loss of this block was first estimated by me at 5 lakhs of rupees as I have already shown by concrete figure in my letter to the Director, Department of Geology, but was owing to the arbitration and suggestion by Mr. B. Jayaram that I cut down the claim to 2 lakhs of rupees. Dr. Smeeth said in one of his interviews with me that the claim of 2 lakhs appeared to him to be absurd. I do not see on what grounds he holds this view, but I can by concrete facts and figures prove that a profit of 5 lakhs can easily be made from the ore obtainable from the block for the period of the mining lease.

6. Dr. Smeeth was pleased to inspect the Hullenahally Block, which he says he would like to suggest to be reserved to Government, but it is singular that he did not show the same amount of interest in respect of the Margowdanahalli Block which deserved his inspection much more than the Hullenahalli Block. He only sent one of his Assistants who asked me to help him in his inspection and this goes to show his comparative indifference towards my claim. I say this because he chose to inspect the Hullenahalli Block personally in spite of the several previous inspections and recommendations made by his predecessor Mr. Jayaram.

7. I have spent lakhs of rupees in prospecting several blocks in the State - a few of which may perhaps be mentioned here.-

1. Uttenahalli.
2. Nachinahalli.
3. Gurur.
4. Masanabayanahalli.
5. Chinnamballi.
6. Keragunda.
7. Mahadevapura.
8. Hulikatte.
9. Kurubaramagadikere.
10. Bhaktarhalli.
11. Koppal.

8. Out of the several blocks it was only in the Nachinahalli Block that I could discover ore of 48% and at Margowdanahalli 49 to 50% and at Bhaktarhalli 50 to 52%.

9. I have also purchased the surface rights of survey No.9 of Byrapur village comprised in the Hullenahalli Block in the hope of my representative Rangappa's application of February 1918 being sanctioned by Government.

SETTLEMENT ARRIVED AT ON THE 14TH APRIL 1919 BET.

MR. MANICKAVELU MUDALIAR.

To relinquish all mining rights in the Margowdanahalli (Tuberculosis Hospital site). for the following to be granted by Government in exchange

1. Mining lease New Block of one mile square adjoining the Bhaktarhalli Block (Mining lease) - not in the direction of Hullenanahalli side.

2. Renewal of prospecting license No.415 - Jumbor block subject to new rule re Mining lease or grant of a mining lease under present rules - over one square mile to be selected before new rules come into force.

3. Out of pocket expenses in respect of Margowdanahalli Block assessed for purpose of this settlement at the lumpsum of Rs.15,000 (Fifteen thousand rupees).

I agree to the above conditions.

(Sd.) V. Manickavelu Mudaliar.

Before us.

Sd. A.R.Banerji,
14-4-1919.
Sd. P. Raghavendra Rao,
14-4-1919
Sd. W.F.Smeeth,
14-4-1919.

24

General and Revenue Secretariat.

File No. [illegible] of 191

Serial No.

11 D.S.N. submitted

Dewan

C85
16/4/19

I am sorry I find that the papers are not in order. Complete form. The list of pendency. Applts. with connected file Nil memo each MV under Doc 2.4.19

73 Kuruvegs letter 16th filed

not here.

74 Please return 7 appl memo the directs file in the had at the time of hearing. & related & connect with the Nil file &c

L
17.4

15 I am sorry the reference files were detained in the Council section by mistake. They are now resubmitted with lists. Papers from Dr Smeeth are also missing.

C85
17/4/19

NOTE.—Contin. s!

Submitted to His Highness.

On the 16th December 1916, a prospecting license No. 451 was issued by the Geological Department to Mr. V. Sundaramurti Mudaliar, son of Mr. Manickavelu Mudaliar over a block of one square mile of land in the villages of Hebbal, Metgalli and Margowdanahalli, Mysore Taluk. Three copies of the license together with an index plan on scale one inch to a mile, were sent to the Deputy Commissioner of the Mysore District on the date of the issue of the license for his information. Within the period of one year for which the license was granted, that is, on the 8th December 1917, the licensee selected for mining purposes, an extent of 40 acres out of the one square mile covered by his prospecting license and submitted an application for a mining lease that he was entitled to under the rules. The Geological Department issued an ad interim order on the 12th January 1918, pending the disposal of the application for a mining lease, permitting the applicant to continu work in the area in question, and the mining lease was eventually granted on the 22nd March 1918. This lease, as stated above, covered only 40 acres of land comprising portions of survey numbers 116, 117, 124, 126, 127, 110, 111, and survey numbers 118, 119, 121 and 125. The mining lease was granted subject to the condition that Government should be given first refusal of all the ore that might be obtained from the block. In the correspondence connected with the grant of this lease, no information was available as regards the selection of a site for the tuberculosis hospital, for the acquisition of which, proceedings were being taken independentlu in the Revenue Department at the request

of the Palace authorities. Note should, however, be made of the fact that the Geological Department communicated their ad interim order of January, to the Deputy Commissioner, allowing the lessee to continue his operations, for information. The Deputy Commis--sioner has stated that this ad interim order was communicated, as usual, to the Amildar on the 24th January 1918. In fairness to the licensee it has als to be stated that it was on the 12th January that he wrote to the Director of Geology requesting permissio to continue working and remove ore pending issue of license and also to inform immediately the Deputy Com missioner of Mysore that such permission is granted.

Some months previous to this, however, that is, on the 13th September 1917, the Palace Controller applied to the Revenue Department for the acquisition o certain survey numbers in Hargowdanhalli village for locating the Tuberculosis hospital. The draft declaration statements were submitted by the Amildar on the 26th and after obtaining the Palace Controller's signature, they were forwarded to the Revenue Commissioner in October 1917. The acquisition was sanctioned by Government on the 22nd January 1918 and the Sub Division officer was asked by a D.C. as well as official communication to take steps to acquire the land and to take immediate possession of the same. The lands were actually taken possession of by the Palace authorities on the 15th February 1918 through the Revenue Department.

From the above, it will be seen that while the prospecting license continued, the lessee was actually working on some of the lands comprised in the acquisition cases and two independent official orders were issued practically at one and the same time, giving the mineral rights to Manickvelu Mudar:

and the other notifying the acquisition for the hospital in respect of the same survey numbers or parts of them.

Before proceeding any further, it is necessary to examine how two departments of Government had to take action as above, without the one knowing what the other was doing. It is probable that Manickvelu Mudr: knew what was happening in regard to acquisition proceedings; for, his very urgent letter of the 12th January shows his eagerness to get the land through the Geological Department before the Revenue Department could do anything to acquire. Be that as it may; the Geological Department did their part of the duty in having communicated what was happening in that Department, to the Revenue Department, for information. The Amildar apparently took no trouble to see that the draft declaration statement did include ~~state~~ lands in respect of which a prospecting license had been given in 1916. By the time the Amildar heard of the intention to give a mineral license in January, he had already submitted his draft declaration; and when the acquisition was sanctioned and the land formally taken possession of, the Sub Division officer did not get the land properly marked out on the ground as required by law and issue a notice under section 9 calling upon all persons claiming interest in the land to lay their claims before him. Rules were not, therefore, followed in taking possession of the land and the conclusion is that nobody went to the spot to verify what land was really taken possession of; and the delivery was given through mere correspondence by the Revenue Department; for, had anybody gone to the spot and marked out the land on the ground, he would at once have discovered the mining operations going on and brought up the question of conflicting interests at once to the notice of Government. This was the first irregularity.

The dispute between the two departments then commenced. The Palace Controller having brought to notice the interference with the land delivered to him by the Revenue Department, by the mining lessee, the Revenue Department gave notice to the latter to desist from carrying on any work. The lessee on the other hand, replied that the Government had granted a mining lease and that the Revenue Department notice was invalid. All this took place in March and April. Eventually the Deputy Commissioner wrote to the Director of Geology that the area under the acquisition proceedings should be excluded from the mining lease and the mining lessee should be asked to lay a claim for compensation before the acquisition officer. The Director, in his turn, wrote to the Revenue Department asking whether another site could not be chosen for the hospital. Each department apparently wanted to justify action taken by it and there was no attempt to meet and discuss the position with a view to a definite settlement and it was on the 16th April that the Huzur Secretary intimated that the site for the Hospital could not be changed as the foundation stone had already been laid and construction work begun. If both the Departments had taken prompt action as soon as the conflicting orders were brought to their notice, a postponement at least of the laying of the foundation stone could have been arranged and the disposal of the matter would have become considerably easier as involving no delicate considerations. This was not done. This is the second irregularity.

Matters having taken an impossible turn, the mining lessee continued his mining operations, the Palace continued the construction of the buildings, thereby allowing the mining lessee an unlimited scope to get up a case for damages against Government. Either the one or the other should have been stopped. It is extremely strange that neither the Revenue Department nor the Geolo-

Geological Department submitted any report to Government on the subject but the matter was informally brought to the notice of Government by the Second Member of Council in June last while I was away on leave; and under the orders of the Second Member both the Deputy Commissioner and the Director submitted notes to him explaining the position. The Second Member, on the 25th June last sent the papers to the Chief Secretary for being worked up. At this stage Mr.Manickvely Mudaliar's claims were - a sum of two lakhs of rupees in cash or the grant of a mining lease over Hullenhalli block plus a sum of Rs.18,000. It does not appear that the Secretariat took any action in the matter between June and September. On the 30th September, an order was issued to the Director suggesting that a suitable compensation should be paid to Mr.Manickvelu Mudaliar in the shape of another suitable block other than Hullenhalli block.

In the meantime, the Government Advocate was consulted with a view to elicit his opinion in the matter and he said that the lessee can claim compensation for the loss of his rights. There were further discussions in the Secretariat as regards the legal position and the Second Member recorded a long minute on the 20th August last in which he stated that that the granting of cash compensation was out of the question and that the only other way of settling the claim was by the grant of another suitable block and to this suggestion, the late Dewan agreed.

Dr.Smeeth in the menatime, having returned from leave desired to be consulted in the matter and in a long note dated the 17th March 1919, he very clearly stated that the grant of the Hullenhalli block or a compensation of two lakhs would be out of the

question and he recommended a sum of Rs.25,000 as cash compensation.

In the meantime, Manickvelu Mudaliar who holds many prospecting and mining lease interests in the State, went on applying for new leases or renewals in the ordinary course and in dealing with the files as they came up, the earliest one being that relating to the renewal of a license No.446(file No.418 dated 12th November 1918) I recorded an order on the 8th of January last that we should have a hold on this applicant who is the owner of the mining lease in Mysore in respect of which there is a dispute and that it is better not to grant renewal till that question is settled. The Secretariat had recommended the grant of the renewal and the Second Member had acquisced but upon my note of warning, he agreed and this was the first of the six cases now pending in which Mr.Manickvelu Mudaliar is interested and in which, orders were issued to reserve consideration of the case pending the settlement of this dispute. The pendency of these six cases has, I should note, considerably helped in bringing Mr.Manickvelu Mudaliar to terms.

I thereupon decided to hold a personal enquiry in the matter and in my minute dated 21st March 1919, noted that in order to arrive at a quick settlement, Mr.Mudaliar might be asked to appear in person and given a hearing and on the 14th April last, I held the enquiry at which, both the Second Member of Council and Dr.Smeeth were present. At this hearing, Mr. Manickvelu Mudaliar presented a statement of his case and urged the payment of 2 lakhs of rupees in the beginning which he eventually reduced to one lakh. After a protracted argument, Mr.Manickvelu Mudaliar was nailed down to certain terms of agreement embodie

in the statement recorded by me, to which he also affixed his signature. Under this agreement, he has relinquished all his mining rights in the Tuberculosis Hospital site for the following to be granted by the Government in exchange:-

1. Mining lease over a new block adjoining his Buckterhalli block, over one square mile but not in the direction of the Hullenhalli side.

2. Renewal of prospecting license No.416 - case No.2 pending orders of Government under my express instructions, (Geological file No.418 -10) - subject to any new rules that Government may pass about the grant of mining lease or the grant of any mining lease over this block under the existing rules under which the maximum area is one square mile.

3. Out of pocket expenses in respect of the Margowdanhalli block assessed for the purpose of this settlement at a lumpsum of Rs.15,000.

In regard to condition 1, I may explain that, on the recommendation of the Director, Mr.Manickvelu Mudr: had been refused licenses for three new blocks, one in Mysore, one in Chitaldrug and one in Hassan District (Chennarayapatna Taluk) on the ground that Government should reserve the chrome ore for their own purposes. After consulting Dr.Smeeth at the time of the enquiry, I considered it necessary to offer one of the blocks not exceeding one square mile of country adjacent to his existing block in Chennarayapatna which would not in any way touch or encroach upon the Hullenhalli block which is to be specially reserved by Government as being very valuable. The new block now proposed to be given has to be exploited after a considerable capital expenditure and it is for the present, nothing to Government to grant

him this concession.

As regards condition No.3, it was conceded that Mr. Mudaliar had spent some money in working the Mysore Margowdanhalli block and has found a good supply of chrome ore there and we all agreed that his out of pocket expenses may be granted and with a view to avoid further disputes, I assessed it after enquiry at Rs.15,000 (fifteen thousand) as a lump sum payment.

I consider that the settlement thus arrived at is very fair to Government and quite equitable to Mr.Manickvelu Mudaliar and I now request that it may be graciously sanctioned by His Highness.

I am taking action separately to call for the explanation of the Revenue Department for the irregularities and omission noticed in this Submission Note and to guard against similar mistakes and disputes in future special rules are being framed in the Geological Department to ensure that when any prospecting or mining leases are granted, definite information in regard to survey numbers with the site plan should be invariably furnished for record in the Revenue Department. The rules at present on the subject are very indefinite.

19.4.19

Record of Cases submitted for the Orders of His Highness the Maharaja.

Subject.

143
19.4.19

Compensation claimed by Mr.Manickvelu Mudaliar on account of the acquisition of certain lands in his chrome mining block in the Margowdanhalli village, for the purpose of the tuberculosis hospital in Mysore.

1103

Order.

~~KRW~~

22/4/19

Chief secy
23.4

Asst secy
Please prepare draft
23/4

D/f put up-
Dewan
24/4/19

Mysore
27
6533-309
26.4.19
P.B.
27.6.19

2nd number
Dewan
16/4/19

G. R. S. III-2]

General and Revenue Secretariat.

Geo. C File No. of 191

Serial No.

The mining lease is, I think, made out in favour of Mr. V. Sundara Muthi Mudaliar. While all the negotiations in the case have been conducted by Srijuta V. Manickavelu Mudaliar, his father. The agreement is also over the signature of the father, who has not signed on behalf of his son, the lessee, but as if on his own account. The son is I believe a major & it seems to me that it is desirable to get his signature appended to the document, lest there be some legal quibbling & complication at a future date.

Revd
27.4.19

Dewan.

Mr Sundaramurthi Mudaliar & Mr Manickavelu Mudaliar appeared before me today & the former signed the settlement in token of agreement

CBN
7/5/19

The order may now issue -

CBN
7/5/19

NOTE.—Contn. sheet.

G. R. S. III-2]

General and Revenue Secretariat.

Govt File No. of 191

Serial No. 6

To the Director Department of Mines & Geology & the Rev. Comsr.

No. G. 25-364-5 dt 8-5-1c

Passes orders on the claims of Mr. Sundara Murthy Mudaliar for compensation in connection with the acquisition of certain lands in the Mayavaram Taluk for the Tuberculosis hospital over which a mining lease was granted to him -

Branch

Recd these papers which in Sus-

Note dt 5/8 may be kept in a sealed cover

MW 30/8/15.

NOTE—Contn. sheet.

Recd at 4-18 PM. 30-9-13 4-15 PM

G. R. S. VI—G/32]

SUBJECT.....

.....

.....

Diary No. of letter replied to .. ..

GENERAL AND REVENUE SECRETARIAT

( )

, the *191* .

Date of issue.....

Signed by.....

Section Geol

File No.

Serial No.

Confidential

No. G 6660

To The offg Director, Dept of Geology

Sir,

With reference to the question of compensating Mr. V. Mani vela Mudaliar for ~~having acquired certain lands cultivated~~ the area included in the Margondanahalli Mining Block which has been acquired by Govt I am directed to state that it seems desirable to compensate him by the grant of another equally suitable block near the Hallenahalli block in the Talukk Channarayapatna and to request you to kindly suggest some for the approval of Govt at a very early date. The matter may be treated as very urgent.

I have etc

Illegible over 3 Sig

for Chief Secretary to Govt.

Illegible

D.M.G. 13]

No. /301.

BANGALORE, 18th December 1918.

FROM

B. JAYARAM, Esq., F.G.S.,

Offg. Director, Department of Geology,

Mysore State.

To

C.S. Balasundaram Iyer, Esq., B.A.,
Chief Secretary to the Government of
H.H. the Maharaja of Mysore, Bangalore.

SIR,

With reference to your letter No.G.6660, dated the 30th September 1918, regarding the question of the compensation to be paid to Mr. V. Manickavelu Moodr., for the area included in the Margowdanahally mining block acquired by Government for purposes of the Tuberculosis Hospital, I have the honor to state that I have given the matter my best and anxious consideration, but that I regret we are not aware of any other suitable block than the Hullenahalli block in the Chennarayapatna Taluk, which may be suggested for grant to Mr. Manickavelu Moodr., as compensation for the lands in the Margowdanahally mining block.

2. I have also interviewed Mr. Manickavelu Moodr., in the matter and he says that he is willing to accept any good block which the Government may graciously be pleased to grant him as compensation, but that he rightly insists that it should be one which has been proved to be commercially valuable such as the Margowdanahally or the Hullenahalli block.

3. As already stated in my previous communications, the Margowdanahally mining block has been proved to be good after an expendi-

307

ture

expenditure of a considerable amount of money and time by Mr. Manickavelu Moodr., All other areas in the State which are known to be valuable have already been occupied under leases or licenses, and there is, therefore, no proved land now left for grant to Mr. Manickavelu Moodr. In view of the fact that the Margowdanahally block is already a proved block, for which a mining lease has been sanctioned by Government, it seems to me that we are morally bound to compensate him by the grant of an other equally good block. The Hullenahalli block is the only one of that kind which will be available after the expiry, on the 20th March 1919, of the term of the present temporary prospecting license No.473 held by Messrs. Oakley, Bowden & Co., of Madras. This temporary license having been granted on the express undertaking by Messrs. Oakley, Bowden & Co., to waive their claim for a mining lease thereunder (vide Government Order No.G.11726/Geol32-17-5, dated the 23rd February 1918,) there does not appear to be any difficulty whatever for the Government to grant the block to Mr. Manickavelu Moodr., on the termination of the temporary license.

4. I am not aware of the reasons which have led the Government to consider it desirable to compensate Mr. Manickavelu Moodr., by the grant of a block <u>other than the Hullenahalli block.</u> In spite of my earnest desire to meet the wishes of Government in this matter, I regret I am not in a position to suggest any other equally suitable block for the reasons mentioned above.

5. Under these circumstances, I beg to suggest that the Hullenahalli block may be granted to Mr. Manickavelu Moodr. unless there are any special grounds to warrant its being held back, and in which case a satisfactory settlement will be difficult to get at without adequately paying a heavy compensation.

I have the honor to be,
Sir,
Your most obedient servant

B. Jagannath

Offg. Director
Department of Geology.

cvv

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

GENERAL AND REVENUE SECRETARIAT

No. *Bangalore, Dated* 191

From

C. S. BALASUNDARAM IYER, ESQ., B. A.,

Chief Secretary to the Government of His Highness the Maharaja of Mysore.

To

Dr. W. F. Smeeth, M.A., D. Sc., B.E., (Dublin), etc.,

Director, Department of Mines & Geology,

Bangalore.

SIR,

With reference to your unofficial note dated 17th March 1919, regarding Mr. Manickavelu Mudaliar's claim for compensation in respect of the Murrowdenahalli block acquired for the Tuberculosis Hospital, Mysore, I am directed to request you to kindly ask Mr. Manickavelu Mudaliar to appear by himself or agent before the Dewan and the Revenue Member of Council at the Council Chamber, Public Offices at 3-30 P.M., on Monday the 4th instant, for a settlement of the question.

The intimation of the date to Mr. Mudaliar and his acceptance of the date fixed may be confirmed to Government.

I have the honor to be,

Sir,

Your most obedient servant,

Chief Secretary to Government.

G. R. S. 27]

GENERAL AND REVENUE SECRETARIAT.

(*Continuation sheet draft form.*)

To Dr Sneath, Dir Sur & G

Sir

With refce to your unofficial note dated 17.3.19 regarding Mr Manickavelu Mudaliar's claim for compensation in respect of the Mangowdanahalli block acquired for the Tuberculosis Hospital at Mysore, I am directed to request you to kindly ask Mr Manickavelu Mudaliar to appear by himself or agent before the Dewan and the Secretary member of Council at the Council chamber, Public Offices, at 3.30 pm on Monday the 24th instant for a settlement of the question

The intimation of the date to Mr Mudaliar and his acceptance of the date fixed may be ~~communicated~~ to this information of Govt.

I have &c

Mysore 29.3.19

Chief Secy

Issued 31.3.19

1793

WD 0108—GPB—800—8-10-18

D.M.G. 13]

No. 2962

BANGALORE, 7th April 1919.

From

DR. W. F. SMEETH, M.A., D.SC., A.R.S.M. etc.,

Director, Department of Mines and Geology,

Mysore State.

65851

To

R. S. Balasundaram Iyer, Esq., B.A.,

Chief Secretary to the Government of

H.H. the Maharaja of Mysore, Bangalore.

CHIEF SECRETARY IV MINOR 10 APR 1919

Sir,

With reference to your letter No.G.22449, dated 3rd April 1919, I have the honor to state that I have just received information from Mr. V.Manickavelu Moodr., that he will be present on Monday the 14th instant at 3-30 P.M., at the Council Chambers, to meet the Dewan and the 2nd Member of Council.

I shall be glad to be informed whether it is considered necessary that I should also be present.

I have the honor to be,

Sir,

Your most obedient servant,

W F Smeeth

Director,

Department of Mines and Geology.

cvv

D.O. 1430
CB

(Draft)

General & Revenue Secretariat

Bangalore, dated, 5th May 1919.

Dear Mr. Manickavelu Mudaliar,

With reference to the settle - ment arrived at in the conference on the 14th April 1919 about your claim for compensation in respect of the Margowdanahalli mining block, I am desired to inform you, that since the Margowdanahalli Block stands in the name of your son, who is a major, it is necessary that he should also be a party to the transaction and acce the settlement. Will you please come over to the Public Offices ~~at Bangalore~~ at any time between 2 and 5 P.M. on the 6th or 7th instant together with your son Mr. Sundaramurti Mudaliar, so that he may read the settlement and sign it in token of acceptance. This will facilitate the disposal of the matter and enable Government to pass orders at once.

A very early reply will oblige.

Yours sincerely

CBS
5/5

Proceedings of the Government of H.H. the Maharaja of Mysore.

Chief Secretary's order:- "To issue from Mines Dept Branch Confidential" sd:-

file is retained in the Judicial Branch.

Letter No. D.O.C. 3 dated 23rd June 18 from Mr. Jayaram, Offg. Director of Geology, forwarding a note on the claim for compensation put forward by Mr. V. Manickavelu Mudaliar on behalf of his ~~son~~ for a part of the block of land in Mysore Taluk included in the mining lease sanctioned to him in letter No.12944/Geol. 17-17-21 dated 23rd March 1918, from ~~Government~~ the Chief Secretary to Govt. to the Director of Geology, which has also been acquired by Government for the purpose of constructing a Tuberculosis Hospital in Mysore City.

Letter dated 23rd June 1918 from the Deputy Commissioner, Mysore District forwarding a note on the procedure adopted in the acquisition of the land included in the mining lease.

3 Further correspondence ending with letter No.1304 dated 18th November 1918 from the Offg. Director of Geology on the same subject.

4 The record of Mr. Manickavelu Mudaliar's representations and the terms agreed to by him in his interview with the Dewan and the Second Member of Council on 14th April 1919.

Order No. 25364-5

Dated Bangalore, 8/5/1919

On the 16th December 1916 a pros-

prospecting license No. 451 was issued by the Geological Department to Mr. V. Sundramurti Mudaliar, son Mr. Manickavelu Mudaliar, over a block of one square mile of land in the villages of Hebbal, Metgalli and Margowdanahalli, Mysore Taluk. Within the period of one year for which the license was granted, i.e., on 8-12-17, the licensee selected, for mining purposes, an extent of 40 acres out of the one square mile covered by his license and applied for a mining lease over the area. ~~over the 40 acres~~ to which he was entitled under the rules. Pending the grant of the lease he continued work on the block, with the permission of the Geological Department, and the Mining lease over the 40 acres of land comprising portions of S. numbers 160, 170, 124, 126, 127, 110, 111 and Survey Nos. 118, 119, 121 and 125 was eventually granted on 21nd March 1918. Some months previous to this, however, i.e., on 13th September 1917 the Palace Comtroller had applied to the Revenue Department for the acquisition of certain Survey numbers, including some of the above in Margowdahahalli village, for locating the Tuberculosis Hospital, but in the correspondence connected with the grant of the lease above mentioned there was no information as regards the selection of the site for the Tuberculosis Hospital. The acquisition was sanctioned by Government on the 22nd January 1918 and the lands were actually taken possession of by the Palace authorities on 15th February 1918 through the Revenue Department. Thus while the pro-

prospecting license continued and the licensee was actually working on some of the lands comprised in the acquisition case two independent official orders were issued, practically at the same time, one giving the mineral rights in the land to Mr. Manickvelu Mudaliar and the other notifying the acquisition of the land for the Tuberculosis Hospital. The lessee continued mining operations on the Block and the Palace authorities continued the construction of the buildings on the site until the matter came to the notice of the Government in June 1918 when Mr. Manickvelu Mudaliar claimed to be compensated for the acquisition of a portion of the block granted to him under the mining lease.

Government have had this question of compensation under consideration for some time and on a full review of all the circumstances of the case and after hearing the representations Mr. Manickvelu Mudaliar, desire to make in person, as fair and equitable compensation for his giving up all rights under the lease granted to him over the block they are pleased to order the grant to him of the following concessions :-

1. Mining lease over a new block adjoining the applicant's Baktarhalli block, over one square mile, but not, in the direction of the Hullenhalli side.

2. Renewal of prospecting license No.416, subject to any new rules that Government may pass about the grant of mining leases or the grant of any mining lease over this block under the existing rules under which the maximum area is one square mile.

3. Out of pocket expenses in ~~the~~ respect of Margowdanahalli block assessed, for the purpose of this settlement, at a lumpsum at Rs. 15,000.

Mr. Manickavelu Mudaliar has agreed to this arrangement and the Director of Mines and Geology is requested to take necessary action in the matter accordingly in regard to items 1 & 2 & the Dy. Commissioner in regard to item 3.

3 In this connection Government consider it necessary to examine how ~~two~~ Departments of Government, the Geological and the Revenue, took action as above and created conflicting rights in respect of the same land. The Geological Department did their part of the duty, both when the prospecting license issued ~~in~~ in 1916 & when permission was given, the licensee to work in anticipation of the lease being granted, in communicating what was happening in the Department to the Revenue Department for information. In preparing draft declaration statement however, the Amildar apparently took no trouble to see that the statement included lands in respect of which a prospecting license had been issued in 1916 and ~~by the time~~ when in January 1918 ~~when~~ he heard of the intention to give a mineral lease the draft ~~declaration~~ statement had left his hands. The error, ~~therefore~~ was not corrected then and when the acquisition was sanctioned and the land formally taken possession of, the Sub-Division Officer did not get the land properly marked out on the ground, as required by law, and issue a notice under section 9

9 calling upon all persons claiming terest in the land to lay their claims before him. Rules were not, therefore, followed in taking possession of the land and the ~~conclusion~~ inference is that ~~nobody~~ no responsible officer went to the spot to verify what land was really taken possession of; ~~and~~ the delivery was given through mere correspondence by the Revenue Department; for, had anybody gone to the spot and marked out the land on the ground, he would at once have discovered the mining operations going on and brought up the question of conflicting interests at once to the notice of Government. This was the first irregularity.

5) The dispute between the two Departments then commenced. The Palace Controller having brought to notice the interference with the lands delivered to him by the Revenue Department, by the mining-lessee, the Revenue Department gave - notice to the latter to desist from - carrying on any work. The lessee on the other hand., replied that the Government had granted a mining lease and that the notice of the Revenue Department ~~notice~~ was invalid. All this took place in March and April 1918. Eventually the Deputy Commissioner wrote to the Director of Geology that the area under the acquisition proceedings should be excluded from the mining lease and the mining lessee ~~should be~~ asked to lay a claim for compensation before the acquisition officer. The

The Director, in his turn, wrote to the Revenue Department asking whether another site could not be chosen for the Hospital. Each Department apparently wanted to justify the action taken by it and there was no attempt to meet and discuss the position with a view to definite settlement and it was on the 16th April that the Huzur Secretary intimated that the site of the Hospital could not be changed as the foundation stone had already been laid and construction work begun. If both the Departments had taken prompt action as soon as the conflicting orders were brought to their notice, a postponement, at least, of the laying of the foundation stone, could have been arranged and the disposal of the matter would have become considerably easier as involving no delicate considerations. This was not done. This is the second irregularity.

Government are aware that the rules for furnishing information by the Geological Department to the Revenue Department re areas included under licenses and leases are somewhat indefinite at present, but observe that much trouble and complication would have been avoided if prompt action had been taken at various stages when the error came to notice and if the procedure prescribed by rules for the acquisition of land had been closely followed. They consider the omissions and irregularities in the Revenue Department referred to above very

unsatisfactory and direct that the explanation of the officers concerned for these omissions and irregularities may be obtained and submitted forthwith for orders. The question of framing special rules to ensure that when any prospecting licenses or mining leases are granted definite information in regard to survey Nos. included in the block with site plan is furnished to the Revenue Department is under the consideration of Government and separate orders will issue in the matter.

C8X 25/4/19

24.4.19. Chief Secretary to Govt.

27.4.19

To

The Director, Department of Mines and Geology.

The Revenue Commissioner in Mysore.

ACH.